



Department of Economic and
Community Development

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Catherine H. Smith
Commissioner

TESTIMONY SUBMITTED TO THE COMMERCE COMMITTEE

3/18/14

Re: S.B. No. 1 AN ACT AUTHORIZING BONDS OF THE STATE FOR THE SUBSIDIZED TRAINING AND EMPLOYMENT PROGRAM AND ENCOURAGING ECONOMIC DEVELOPMENT THROUGH THE REMEDIATION OF STATE-OWNED BROWNFIELDS

S.B. No. 3 AN ACT ESTABLISHING AN EMPLOYEE OWNERSHIP PROGRAM TO PROMOTE BUSINESS RETENTION AND GROWTH

S.B. No. 485 AN ACT CONCERNING EXPEDITED PERMITTING FOR PRIORITY DEVELOPMENT SITES IDENTIFIED BY MUNICIPALITIES

H.B. No. 5574 AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE SOUTHEASTERN CONNECTICUT BIOSCIENCE CAPABILITIES ASSESSMENT REPORT

Senator LeBeau, Representative Perone, Senator Frantz, Representative Lavielle and members of the Commerce Committee. Thanks for the opportunity to present testimony on several of the bills before you here today.

SB 1 would require the state to begin evaluation and remediation of not less than five and not more than seven state-owned brownfields by 2015. While we at DECD applaud the idea presented in the bill – encouraging economic development through remediation of contaminated state-owned sites – we are concerned about expending state resources on clean-up of any of these sites unless and until there is a specific plan in place for their redevelopment with committed investment in addition to state funding. The type and degree of clean-up often depends on the desired reuse, and we at DECD worry that the legislation, as currently crafted, may obligate the state to spend substantial resources to remediate sites before such a plan is in place, which could result in inefficient use of state funding. DECD's thoughts on this matter are drawn from recent experience. In 2012, we issued an RFP for five state-owned sites with the greatest potential for redevelopment. Response to that RFP was very limited – underscoring the need for the state to be cautious in how it proceeds in expending resources on the sites it controls until market demand can be assessed and users found. Despite our concerns with this current bill, we are supportive of working toward consensus on a path forward.

SB 3 calls for DECD to prepare and issue an RFP soliciting an organization to establish a program encouraging the creation of employee-owned businesses in Connecticut. In short, we are concerned that we do not currently have the resources to carry out this program. Further, it is not clear why the state should “encourage” employee owned vs. other capital structures for businesses.

SB 485 would allow municipalities to designate priority development sites that will be eligible for expedited permitting through the DECD's Office of the Permit Ombudsman.



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DECD questions the necessity of this legislation. Subsection (2) of C.G.S. § 32-726 appears to provide the DECD with adequate flexibility for approving expedited permitting for projects on parcels deemed by cities and towns as key development areas. Further, the Office of the Permit Ombudsman prides itself on its willingness to work with municipalities to facilitate economic development in targeted areas.

HB 5574 requires DECD to issue a request for proposals for a program to promote and support the development of bioscience and biotechnology in the Southeastern Connecticut Planning Region. We question the necessity of this legislation as well. The state is already undertaking efforts to promote bioscience in the area, as evidenced by the recent State Bond Commission approval of CURE Innovations LLC for costs associated with establishing a Bioscience Innovation Center in Groton. We believe we can work effectively with the region without creating and funding new entities to undertake this work.

Thanks for allowing me to share some thoughts on these pieces of legislation. I appreciate, in advance, your due consideration.